

EXHIBIT “B”

April 28, 2016

The undersigned applicant hereby applies to Due By the First, LLC (or its to be formed affiliated designee, "Lender") for a first priority mortgage loan on the following terms and conditions (the "Loan"):

Borrower: Grace Church Realty Corp
40 Grace Church Street
Port Chester, New York 10573

Guarantor: Juan Cepeta
40 Grace Church Street
Port Chester, New York 10573

Lender: Due By The First, LLC (or its to be formed affiliated designee)

Property: 40 Grace Church Street, Port Chester, New York 10573 **Section: 142.38 Block: 2 Lot: 36**

Loan Amount: \$930,000.00

Security: A first priority mortgage lien on the Property (40 Grace Church Street, Port Chester, New York 10573 **Section: 142.38 Block: 2 Lot: 36**). In addition, a first priority lien and security interest in all other assets of Borrower, tangible and intangible, including without limitation, an assignment of, and security interest in, all current and future leases, rents and other income related to the Property (collectively, the "Other Assets").

Loan Term: 12 months from the date of Closing.

Interest Rate: The Loan shall bear an Interest Rate of Twelve Percent per annum (12.00%) for the entire term.

Amortization: Interest Only.

Borrower's Lender Fees: Borrower shall pay a fee of 3% of the total Loan amount made payable to ERGCA, LLC at closing.

Borrower's Broker Fees: Borrower shall pay a fee of 2% of the total Loan amount made payable to Rego DiPietro under a separate fee agreement.

Interest Guarantee: The Loan can be pre-paid in full at anytime during the term of the Loan, however Lender will be guaranteed Six (6) months of interest.

Expense Deposits: Upon the execution and return of this letter, to the extent not previously delivered, the Guarantor shall deposit **\$9,300.00** as a good faith deposit (the "Good Faith

Deposit"). The Good Faith Deposit will be applied towards legal, architecture, expeditors and other third parties related to the due diligence of this Loan. The balance will be applied towards the closing costs, and is non-refundable unless the failure to close is caused by Lender's inability to close. If Lender chooses not to make the Loan, Guarantor shall be refunded the amount less the third party costs. Please make checks payable to **ERGCA, LLC**. (For purposes hereof, "Lender's inability to close" shall not be deemed to include Borrower's title, matters arising during Lender's due diligence, matters beyond Lender's control, etc.).

- Interest Reserve:** There will be a 6 month interest reserve.
- Due Diligence:** Legal due diligence will be conducted on an expedited basis.
- Closing:** Closing of this Loan, subject to Lender's attorney approval and execution of loan documents and all related matters, shall take place at Lender's office.
- Insurance:** Borrower shall maintain at all times, at Borrower's sole cost and expense, policies of liability and property including business income coverage required by Lender according to the loan documents. All insurance policies shall be issued by insurance companies satisfactory to the Lender having an A.M. Best Key Rating of at least A/IX. Borrower shall deliver certificates naming Lender as insured prior to closing.
- Escrows:** Lender reserves the right to escrow for property taxes, water, sewer charges and property insurance if the borrower fails to make timely payments at its sole discretion.
- Special Conditions:** This Loan is conditioned upon the approval by the Bankruptcy Court pursuant to an order confirming a plan of reorganization, or such other order as is reasonably agreed to in writing by Lender.

Receipt and review, with results satisfactory to Lender and its counsel, of information regarding Bankruptcy Proceeding, litigation, tax, accounting, labor, insurances, pension liabilities (actual or Contingent), real estate leases, environmental matters, material contracts, debt agreements, property ownership, contingent liabilities and management of Grace Church Realty Corp.

Entry of appropriate order(s) of the Bankruptcy Court having jurisdiction over Chapter 11 proceedings of Grace Church Realty Corp, in form and substance satisfactory to Lender and counsel for Lender, which shall provide, among other provisions: a) approval of the Loan; b) the grant of a first priority lien on the Property and a first priority lien and security interests in all Other Assets. Application for an order of the Bankruptcy Court approving the Loan shall be made and filed within three (3) days hereof, which Application may be in the form of a proposed plan. The Bankruptcy Court should have entered a final order satisfactory to Lender on or before August 31, 2016 (or such later date as may be agreed to in writing by Lender, in its sole discretion), and such order shall be in full force and effect and shall not have been vacated, reversed, modified, amended or stayed.

Execution and delivery to Lender of such loan agreements and related documents and legal opinions of counsel for Grace Church Realty Corp and orders of the Bankruptcy Court as counsel for Lender may consider necessary or appropriate, all in form and substance satisfactory to Lender and its counsel.

Grace Church Realty Corp shall have provided Lender with Subordination to Obligations to Lender of all loans made to Grace Church Realty Corp by any of its officers, shareholders or directors. Such subordinations are to be evidenced by agreement and legend as prepared and provided by Grace Church Realty Corp to any of its shareholders, officers, or directors from time to time acceptable in form and substance to Lender and its counsel.

No adverse changes, in Lender's sole opinion, in the business assets, liabilities, operations or financial condition of Grace Church Realty Corp or the prospect of Grace Church Realty Corp after the date of this letter.

Grace Church Realty Corp's satisfaction of any other conditions or terms as required by Lender or as usual and customary for a transaction of this type.

Events of Default:

Acceptable to Lender (including failure to make payments or pay fees when due, failure of representation or warranties to be correct when made, failure to comply with covenants and warranties, entry of an order converting or dismissing the Bankruptcy Proceeding, the appointment of a trustee or examiner with expanded powers under Chapters 7 and 11 of the Bankruptcy Code, the filing of a plan of reorganization or liquidation which does not provide for approval of the Loan and loan documents in form satisfactory to Lender and incorporating the provisions of the Loan, failure of any of the loan documents to be in full force and effect and enforceable in accordance with their terms, or the entry of certain other orders by the Bankruptcy Court or the filing of certain other applications by Grace Church Realty Corp or any other person which in Lender's sole discretion adversely affects the Lender's interest, or a change in control, without Lender's consent.

Remedies:

Acceptable to Lender.

Documentation:

Documentation to be prepared by and satisfactory to Lender and approved by the Bankruptcy Court. Motions and application to be prepared by Grace Church Realty Corp and satisfactory to Lender and its counsel. Grace Church Realty Corp shall use its best efforts to obtain approval of the Bankruptcy Court of the Loan and loan documents and deliver all material pleadings, motions and other documents filed by or on behalf of Lender or Grace Church Realty Corp with the Bankruptcy Court. Grace Church Realty Corp will be responsible for the legal and other costs of preparation, and where applicable the costs for filing such documentation with the proper filing offices in the State of New York of all documentation related to this transaction, and will indemnify Lender against all liabilities relating to this transaction.

Borrower acknowledges that the information and documentation requested in this Commitment Letter is not inclusive, and that Lender reserves the right, in the opinion of its attorney, to request and receive additional information and documentation from the Borrower prior to closing.

Governing Law:

This Commitment Letter will be governed by and construed in accordance with the laws of the State of New York.

Costs and Expenses:

Grace Church Realty Corp. and Guarantor are to reimburse Lender for any and all costs and expenses (including counsel fees) incurred by Lender arising out of or

related to the financing contemplated hereby and the other transactions referred to herein whether or not such financing and transactions are consummated and indemnify Lender against any and all liabilities, claims, costs, expense and other obligations arising out of or related to the financing contemplated hereby and any other transactions referred to herein whether or not such financing and transactions are consummated.

Indemnification:

Grace Church Realty Corp shall indemnify Lender from and against all losses, liabilities, claims damages, or expenses arising out of or relating to the Loan, Grace Church Realty Corp's use of loan proceeds or the commitments, including, but not limited to, reasonable attorneys fees and settlement costs. This indemnification shall survive and continue for the benefit of the indemnities at all times after Grace Church Realty Corp's acceptance of the Lender's commitments for the Loan, notwithstanding any failure of the Loan to close.

The summary of terms above is intended as an outline of certain material terms and does not purport to summarize all terms. The terms and conditions of Lender's commitment hereunder with respect to Grace Church Realty Corp are not limited to the terms and conditions set forth herein. Those matters that are not covered by or made clear under the provisions hereof are subject to the approval and agreement of Lender.

This letter is the only agreement that has been entered into between you and Lender with respect to the Grace Church Realty Corp and set forth the entire understanding of the parties with respect thereto. This letter may only be modified or amended by a written agreement signed by all of us.

By your signature below, you agree (a) that you will pay all reasonable Out-of-pocket costs and expenses incurred by Lender in connection with this Commitment Letter, the transactions contemplated hereby or thereby and Lenders' ongoing due diligence in connection therewith, including, without limitation, travel expenses, reasonable attorneys' fees, asset evaluation expenses (including the expenses of internal and third-party auditors and consultants, other charges and disbursements and any other out-of-pocket costs and expenses, whether or not such transactions are consummated, and (b) that you will indemnify and hold harmless Lender, their respective officers, directors, employees, affiliates, agents and controlling persons from and against any and all losses, claims, damages and liabilities to which any such person may become subject arising out of, or in connection with, this Commitment Letter, the transactions contemplated hereby or thereby or any claim, litigation, investigation or proceeding relating to any of the foregoing, whether or not any of such indemnified persons is a party thereto, and to reimburse each of such indemnified persons, from time to time upon their demand, for any legal or other expenses incurred in connection with investigating or defending any of the foregoing; provided that the foregoing indemnity will not, as to any indemnified person, apply to losses, claims, damages, liabilities or related expenses to the extent that they are determined by the final judgment of a court of competent jurisdiction to have resulted from the willful misconduct or gross negligence of such indemnified person.

If the foregoing is satisfactory, please sign and return the additional copy of the letter to the undersigned. This offer will expire at 12:00 p.m. eastern standard time on April 29th, 2016 unless you execute this letter and return it to us prior to that time and promptly obtain approval from the Bankruptcy Court of this Commitment Letter.

We are pleased to work with you in connection with this financing.

The Borrower acknowledges that ERG Capital Advisors is a mortgage broker and is not the Lender on this transaction.

Sincerely,

ERG Capital Advisors

Borrower:



Grace Church Realty Corp

Guarantor:



Juan Cepeta